

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

)	
In re:)	Chapter 11
)	
EXTRACTION OIL & GAS, INC. <i>et al.</i> , ¹)	Case No. 20-11548 (CSS)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket Nos. 14, 363, 412, 482, 655, 681,
)	801, 803, and 942

**CERTIFICATION OF COUNSEL REGARDING PROPOSED ORDER
GRANTING MOTIONS TO REJECT CERTAIN EXECUTORY CONTRACTS**

The undersigned counsel to the debtors and debtors in possession (the “Debtors”) in the above-captioned cases hereby certifies as follows:

1. On June 15, 2020, the Debtors filed the *Debtors’ Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief* [Docket No. 14], and on August 11, 2020, filed the *Debtors’ Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief* [Docket No. 412] (together “Motions”).

2. On August 4, 2020, Grand Mesa Pipeline, LLC (“Grand Mesa”) filed the *Objection of Grand Mesa Pipeline, LLC to Debtors’ Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Debtors’ principal place of business is 370 17th Street, Suite 5300, Denver, Colorado 80202.



as of the Dates Specified Herein and (II) Granting Related Relief Grand Mesa Pipeline, LLC [Docket No. 363], and on October 8, 2020, filed the *Supplemental Brief of Grand Mesa Pipeline, LLC in Support of Objection of Grand Mesa Pipeline, LLC to Debtors' Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief* [Docket No. 803].

3. On August 18, 2020, *Platte River Midstream, LLC* ("PRM"), *DJ South Gathering, LLC* ("DJS") and *Platte River Holdings, LLC* ("PRH") filed the *Limited Joinder in and Statement in Support by Platte River Midstream, LLC, DJ South Gathering, LLC and Platte River Holdings, LLC to Certain Filings of Grand Mesa Pipeline, LLC* [Docket No. 482].

4. On September 18, 2020, *DJS* and *PRM* filed the *Objection of DJ South Gathering, LLC, and of Platte River Midstream, LLC to Debtors Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified [T]Herein and (II) Granting Related Relief* [Docket No. 655], and on October 8, 2020, filed the *Supplemental Brief of DJ South Gathering, LLC, and of Platte River Midstream, LLC, in Opposition to Debtors' Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified [T]herein and (II) Granting Related Relief* [Docket No. 801].

5. On September 24, 2020, the Debtors filed the *Debtors' Combined Reply in Support of: (1) Debtors' Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Date Specified Herein and (II) Granting Related Relief; (2) Notice of Rejection of Certain Executory Contracts*

and/or Unexpired Leases; and (3) Debtors' Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief [Docket No. 681].

6. A hearing on the Motions was held on October 7, 20, 26, 27, and 28, and November 2, 2020 (the "Hearing"), at which time the Court granted the relief requested in the Motions for the reasons set forth on the record on November 2, 2020 and in the Court's Bench Ruling [Docket No. 942].

7. Attached hereto as **Exhibit A** is a proposed form of order granting the Motions (the "Proposed Order"). The Proposed Order has been circulated to Grand Mesa, PRM, and DJS, and such parties do not object to entry of the Proposed Order.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order, in the form attached hereto as **Exhibit A**, at the earliest convenience of the Court.

[Remainder of Page Intentionally Left Blank]

Dated: November 9, 2020
Wilmington, Delaware

Respectfully submitted,

/s/ Stephen B. Gerald

WHITEFORD, TAYLOR & PRESTON LLC²

Marc R. Abrams (DE No. 955)
Richard W. Riley (DE No. 4052)
Stephen B. Gerald (DE No. 5857)
The Renaissance Centre
405 North King Street, Suite 500
Wilmington, Delaware 19801
Telephone: (302) 353-4144
Facsimile: (302) 661-7950
Email: mabrams@wtplaw.com
riley@wtplaw.com
sgerald@wtplaw.com

- and -

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
Christopher Marcus, P.C. (admitted *pro hac vice*)
Allyson Smith Weinhouse (admitted *pro hac vice*)
Ciara Foster (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
Email: christopher.marcus@kirkland.com
allyson.smith@kirkland.com
ciara.foster@kirkland.com

Co-Counsel to the Debtors and Debtors in Possession

² Whiteford, Taylor & Preston LLC operates as Whiteford Taylor & Preston L.L.P. in jurisdictions outside of Delaware.

Exhibit A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

<p>In re:</p> <p>EXTRACTION OIL & GAS, INC. <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Chapter 11</p> <p>Case No. 20-11548 (CSS)</p> <p>(Jointly Administered)</p> <p>Re: Docket Nos. 14, 363, 412, 482, 655, 681, 801, 803, 942 and ____</p>
--	---	--

**ORDER GRANTING MOTIONS TO REJECT
CERTAIN EXECUTORY CONTRACTS**

Upon consideration of the following series of motions, notices, objections, replies, and argument of counsel:

1. *Debtors’ Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief [Docket No. 14] and Debtors’ Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief [Docket No. 412] (together “Motions”);*

2. *Objection of Grand Mesa Pipeline, LLC to Debtors’ Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief Grand Mesa Pipeline, LLC [Docket No. 363], Supplemental Brief of Grand Mesa Pipeline, LLC*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Debtors’ principal place of business is 370 17th Street, Suite 5300, Denver, Colorado 80202.

in Support of Objection of Grand Mesa Pipeline, LLC to Debtors' Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief [Docket No. 803];

3. *Limited Joinder in and Statement in Support by Platte River Midstream, LLC, DJ South Gathering, LLC and Platte River Holdings, LLC to Certain Filings of Grand Mesa Pipeline, LLC [Docket No. 482], Objection of DJ South Gathering, LLC, and of Platte River Midstream, LLC to Debtors Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified [T]Herein and (II) Granting Related Relief [Docket No. 655], Supplemental Brief of DJ South Gathering, LLC, and of Platte River Midstream, LLC, in Opposition to Debtors' Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified [T]herein and (II) Granting Related Relief [Docket No. 801]; and*

4. *Debtors' Combined Reply in Support of: (1) Debtors' Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Date Specified Herein and (II) Granting Related Relief; (2) Notice of Rejection of Certain Executory Contracts and/or Unexpired Leases; and (3) Debtors' Second Omnibus Motion for Entry of an Order (I) Authorizing Rejection of Unexpired Leases of Nonresidential Real Property and Executory Contracts Effective as of the Dates Specified Herein and (II) Granting Related Relief [Docket No. 681].*

The Court having held a hearing on the Motions on October 7, 20, 26, 27, and 28, and November 2, 2020 (the "Hearing") at which testimony and exhibits were admitted into evidence

in support of the Motions and in objection to the Motions; and upon the argument of counsel; and after due deliberation thereon and good and sufficient cause appearing therefor, it is hereby

ORDERED THAT:

1. The Motions are **GRANTED** as set forth herein.
2. Pursuant to section 365 of the Bankruptcy Code, the following executory contracts between Extraction Oil & Gas, Inc. ("Extraction") and Grand Mesa Pipeline, LLC ("Grand Mesa") are hereby rejected effective as of June 14, 2020:
 - a. Amended and Restated Transportation Agreement dated June 21, 2016 (the "Bayswater Contract"); and
 - b. Amended and Restated Transportation Services Agreement dated February 19, 2016 (the "Grand Mesa Contract").
3. Pursuant to section 365 of the Bankruptcy Code, the following executory contracts between Extraction and Platte River Midstream, LLC ("Platte River"), and Extraction and DJ South Gathering, LLC ("DJ South", and together with Platte River and Grand Mesa, the "Counterparties"), respectively, are hereby rejected effective as of August 11, 2020:
 - a. First Amended and Restated Transportation Services Agreement dated April 14, 2017 between Extraction Oil & Gas, Inc. and Platte River Midstream, LLC (the "Platte River Contract"); and
 - b. Transportation Services Agreement dated May 16, 2018 between Extraction Oil & Gas, Inc. and DJ South Gathering, LLC (the "DJ South Contract", collectively with the Bayswater Contract, the Grand Mesa Contract, and the Platte River Contract, the "Contracts").

4. Any proofs of claim for damages in connection with the rejection of the Contracts, if any shall be filed by the later of (a) any applicable claims bar date established in these chapter 11 cases, or (b) 30 days after entry of this Order.

5. The Debtors reserve their rights to assume, assign, or reject any other executory contracts or unexpired leases, and nothing herein shall be deemed to affect such rights.

6. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing contained in the Motions or this Order shall constitute, nor is it intended to constitute: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motions; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party-in-interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Order are valid and the Debtors and all other parties-in-interest expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of all such liens. Any payment made pursuant to this Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party-in-interest's rights to subsequently dispute such claim.

7. Nothing in the Motions or this Order shall be deemed or construed as an approval of an assumption of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.

8. Notice of the Motions as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

9. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

10. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motions.

11. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.